

Fill in this information to identify the case:

United States Bankruptcy Court for the:

Middle District of Pennsylvania
(State)

Case number (if known): _____ Chapter 11

☐ Check if this is an amended filing

FILED 24 JUN 6 PM 2:55
CLERK, 15 COURT, PHILADELPHIA, PA

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

06/22

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and the case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name

PSN Realty, Inc.

2. All other names debtor used in the last 8 years

None

Include any assumed names, trade names, and *doing business* as names

3. Debtor's federal Employer Identification Number (EIN)

02-0650769

4. Debtor's address

Principal place of business

201 S. Blakely Street
Number Street

Dunmore PA 18512
City State ZIP Code

Lackawanna
County

Mailing address, if different from principal place of business

same
Number Street

P.O. Box

City State ZIP Code

Location of principal assets, if different from principal place of business

Various - see attached
Number Street

City State ZIP Code

5. Debtor's website (URL)

N/A

Debtor

Name

PSN Realty, Inc.

Case number (if known) _____

6. Type of debtor

- ☒ Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))
☐ Partnership (excluding LLP)
☐ Other. Specify: _____

7. Describe debtor's business

A. Check one:

- ☐ Health Care Business (as defined in 11 U.S.C. § 101(27A))
☒ Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
☐ Railroad (as defined in 11 U.S.C. § 101(44))
☐ Stockbroker (as defined in 11 U.S.C. § 101(53A))
☐ Commodity Broker (as defined in 11 U.S.C. § 101(6))
☐ Clearing Bank (as defined in 11 U.S.C. § 781(3))
☐ None of the above

B. Check all that apply:

- ☐ Tax-exempt entity (as described in 26 U.S.C. § 501)
☐ Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. § 80a-3)
☐ Investment advisor (as defined in 15 U.S.C. § 80b-2(a)(11))

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor. See

5311

8. Under which chapter of the Bankruptcy Code is the debtor filing?

Check one:

- ☐ Chapter 7
☐ Chapter 9

☒ Chapter 11. Check all that apply:

- ☒ The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D), and its aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$3,024,725. If this sub-box is selected, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return or if any of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- ☐ The debtor is a debtor as defined in 11 U.S.C. § 1182(1), its aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$7,500,000, and it chooses to proceed under Subchapter V of Chapter 11. If this sub-box is selected, attach the most recent balance sheet, statement of operations, cash-flow statement, and federal income tax return, or if any of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- ☐ A plan is being filed with this petition.
- ☐ Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
- ☐ The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the Attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11 (Official Form 201A) with this form.
- ☐ The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

- ☐ Chapter 12

A debtor who is a "small business debtor" must check the first sub-box. A debtor as defined in § 1182(1) who elects to proceed under subchapter V of chapter 11 (whether or not the debtor is a "small business debtor") must check the second sub-box.

Debtor

PSN Realty, Inc.

Case number (if known) _____

13. Debtor's estimation of available funds

Check one:

☐ Funds will be available for distribution to unsecured creditors.☒ After any administrative expenses are paid, no funds will be available for distribution to unsecured creditors.

14. Estimated number of creditors

☒ 1-49☐ 50-99☐ 100-199☐ 200-999☐ 1,000-5,000☐ 5,001-10,000☐ 10,001-25,000☐ 25,001-50,000☐ 50,001-100,000☐ More than 100,000

15. Estimated assets

☐ \$0-\$50,000☐ \$50,001-\$100,000☐ \$100,001-\$500,000☐ \$500,001-\$1 million☒ \$1,000,001-\$10 million☐ \$10,000,001-\$50 million☐ \$50,000,001-\$100 million☐ \$100,000,001-\$500 million☐ \$500,000,001-\$1 billion☐ \$1,000,000,001-\$10 billion☐ \$10,000,000,001-\$50 billion☐ More than \$50 billion

16. Estimated liabilities

☐ \$0-\$50,000☐ \$50,001-\$100,000☐ \$100,001-\$500,000☐ \$500,001-\$1 million☒ \$1,000,001-\$10 million☐ \$10,000,001-\$50 million☐ \$50,000,001-\$100 million☐ \$100,000,001-\$500 million☐ \$500,000,001-\$1 billion☐ \$1,000,000,001-\$10 billion☐ \$10,000,000,001-\$50 billion☐ More than \$50 billion**Request for Relief, Declaration, and Signatures**

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

17. Declaration and signature of authorized representative of debtor

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on 06 06 2024

MM / DD / YYYY

x Kenneth W. Bond

Signature of authorized representative of debtor

Printed name

Title President

Debtor

Name PSN Realty Inc.

Case number (if known) _____

9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?

☒ No

☐ Yes.

District _____

When _____

Case number _____

If more than 2 cases, attach a separate list.

District _____

When _____

Case number _____

MM / DD / YYYY

MM / DD / YYYY

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

☒ No

☐ Yes.

Debtor _____

Relationship _____

District _____

When _____

List all cases. If more than 1, attach a separate list.

Case number, if known _____

MM / DD / YYYY

11. Why is the case filed in this district?

Check all that apply:

☒

Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.

☐

A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?

☐ No

☒

Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.

Why does the property need immediate attention? (Check all that apply.)

☐

It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.

What is the hazard? _____

☐

It needs to be physically secured or protected from the weather.

☐

It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).

☒ Other subject to foreclosure sale Jun 7, 2024

Where is the property?

various- see attached

Number _____

Street _____

City _____

State ZIP Code _____

Is the property insured?

☒ No

☐ Yes.

Insurance agency _____

Contact name _____

Phone _____

Statistical and administrative information

Debtor

PSN Realty, Inc.

Name

Case number (if known)

18. Signature of attorney

x to come

Signature of attorney for debtor

Date 06 06 2024

MM / DD / YYYY

Tullio DeLuca

Printed name

Tullio DeLuca, Esq.

Firm name

381 N. 9th Avenue

Number

Street

Scranton

City

PA

State

18504

ZIP Code

570-347-7764

Contact phone

tullio.deluca@

Email address

verizon.net

N/A

Bar number

PA

State

PSN Realty, Inc.

Balance Sheet - 12/31/23

Cash and cash equivalents	\$32,500	
Receivables - rent	336,000	
Prepaid expenses - insurance	2,860	
Total Current Assets		371,360
Property and Improvements		
Land	62,285 *	
Buildings	2,458,610 **	
Improvements	106,750	
Net Pproperty and Improvements		2,627,645
Other Assets		
Unamoritized Mortgage Interest	139,360	
Good Will	300,000	
Equipment - autos, truck, machinery	102,600	
Total Other Assets		541,960

* Average value per lot, 23 lots = \$2,708

** Average value per buidling, 22 buildings = \$111,755

PSN Realty, Inc.

Balance Sheet - 12/31/23

Liabilities

Current Liabilities

Accounts Payable	\$34,200
Real Estate Taxes Payable	137,860
Building Improvements Payable	4,570
Short-term Investors	50,460

Total Current Liabilities	227,090
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Long-Term Liabilities

Mortgages Payable	414,500
Long-term Investors	115,760
Security Deposits Payable	5,400
Loans due shareholder	989,910

Total Long-term Liabilities	1,525,570
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Total Liabilities	1,752,660
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Shareholder Equity

Common Stock \$1.00 par value	
100 shares authorized and issued	100
Paid-in capital in excess of par value	2,465,135
Accumulated depreciation	-676,930
	1,788,305

Total Liabilities and Shareholder Equity	3,540,965
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PSN Realty, Inc.

Profit/Loss - 12/31/23

Rent	\$340,475	
Misc Sales	<u>1,800</u>	
		\$342,275
MCA proceeds	\$45,000	
Investor proceeds	<u>54,000</u>	
		\$99,000
Cost of Goods Sold (Materials)	4,350	\$4,350
Operating Expenses		
Contractors	\$28,760	
Insurance	11,430	
Rent	4,800	
Utilities	73,980	
Telecom	2,820	
Garbage	4,110	
Lic & Fees	<u>1,180</u>	
		\$127,080
Non-Operating Expenses		
Rea Prop taxes	\$93,745	
Interest	72,460	
Mortgage Amortization	27,670	
Investor Amortization	16,060	
Depreciation	45,000	
Loan to MHIS		
		\$292,185
Total Expenses		419,265
Profit (Loss)		\$26,360

PSN Realty, Inc. CASH FLOW 06/01/2024

Revenues

Rents	\$36,500
Other	<u>4,500</u>

Total Revenues	40,500
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Liabilities

Short-Term Loans	3,600
Long-term Loans	8,400
Mortgage	7,500
Property Taxes	4,750
Utilities	12,300
Contractors	3,800
Other Vendors	1,650

Total Liabilities	41,700
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Profit/Loss	-1,200
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1/25/2024

Operating Properties	Year Acquired	Purchase Price	Year Improved	Improvement Cost	Mortgage	Current Val
442-444 N. Irving	Mar-03	50,000	2003+	132,000	46,300	420,000
1700 Roselynn	Jun-03	63,000	2003+	76,000	46,300	360,000
1416 Vine	Aug-03	32,000	2003+	13,000	0	165,000
447 Colfax	Jun-09	51,000	2009+	17,000	0	315,000
1007 Taylor	Oct-08	84,000	2008+	14,000	63,700	220,000
732 Harrison	Apr-09	120,000	2009+	16,000	63,700	240,000
1708 Linden	Sep-05	50,000	2007+	26,000	0	190,000
1012 Clay	Aug-06	63,000	2006+	18,000	39,000	140,000
1024 Clay	Mar-04	76,000	2004+	19,000	39,000	140,000
601 Wheeler	Apr-16	25,000	2016+	4,000	0	280,000
		614,000		335,000	298,000	2,470,000

All in Scranton, PA

U.S. Corporation Income Tax Return
For calendar year 2022 or tax year beginning _____, 2022, ending _____, 20_____
Go to www.irs.gov/Form1120 for instructions and the latest information.

OMB No. 1545-0123
2022

A Check if: 1a Consolidated return (attach Form 851) <input type="checkbox"/> b Life/nonlife consolidated return <input type="checkbox"/> 2 Personal holding co. (attach Sch. PH) <input type="checkbox"/> 3 Personal service corp. (see instructions) <input type="checkbox"/> 4 Schedule M-3 attached <input type="checkbox"/>	TYPE OR PRINT	Name _____ Number, street, and room or suite no. If a P.O. box, see instructions. _____ City or town, state or province, country, and ZIP or foreign postal code _____	B Employer identification number _____ C Date incorporated _____ D Total assets (see instructions) \$ _____
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Income	1a Gross receipts or sales	1a		
	b Returns and allowances	1b		
	c Balance. Subtract line 1b from line 1a	1c		
	2 Cost of goods sold (attach Form 1125-A)	2		
	3 Gross profit. Subtract line 2 from line 1c	3		
	4 Dividends and inclusions (Schedule C, line 23)	4		
	5 Interest	5		
	6 Gross rents	6		
	7 Gross royalties	7		
	8 Capital gain net income (attach Schedule D (Form 1120))	8		
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	9		
10 Other income (see instructions—attach statement)	10			
11 Total income. Add lines 3 through 10	11			
Deductions (See instructions for limitations on deductions.)	12 Compensation of officers (see instructions—attach Form 1125-E)	12		
	13 Salaries and wages (less employment credits)	13		
	14 Repairs and maintenance	14		
	15 Bad debts	15		
	16 Rents	16		
	17 Taxes and licenses	17		
	18 Interest (see instructions)	18		
	19 Charitable contributions	19		
	20 Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20		
	21 Depletion	21		
	22 Advertising	22		
	23 Pension, profit-sharing, etc., plans	23		
	24 Employee benefit programs	24		
	25 Reserved for future use	25		
	26 Other deductions (attach statement)	26		
	27 Total deductions. Add lines 12 through 26	27		
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11.	28		
29a Net operating loss deduction (see instructions)	29a			
b Special deductions (Schedule C, line 24)	29b			
c Add lines 29a and 29b	29c			
Tax, Refundable Credits, and Payments	30 Taxable income. Subtract line 29c from line 28. See instructions	30		
	31 Total tax (Schedule J, Part I, line 11)	31		
	32 Reserved for future use	32		
	33 Total payments and credits (Schedule J, Part III, line 23)	33		
	34 Estimated tax penalty. See instructions. Check if Form 2220 is attached <input type="checkbox"/>	34		
	35 Amount owed. If line 33 is smaller than the total of lines 31 and 34, enter amount owed	35		
	36 Overpayment. If line 33 is larger than the total of lines 31 and 34, enter amount overpaid	36		
	37 Enter amount from line 36 you want credited to 2023 estimated tax Refunded	37		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Information of preparer is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer <i>[Signature]</i> Date <i>4-14-22</i> Title <i>President</i>		May the IRS discuss this return with the preparer shown below? See instructions. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date
	Firm's name	Firm's EIN	Check <input type="checkbox"/> if self-employed

Schedule C Dividends, Inclusions, and Special Deductions (see instructions)

	(a) Dividends and inclusions	(b) %	(c) Special deductions (a) x (b)
1 Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)		50	
2 Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)		65	
3 Dividends on certain debt-financed stock of domestic and foreign corporations		See instructions	
4 Dividends on certain preferred stock of less-than-20%-owned public utilities		23.3	
5 Dividends on certain preferred stock of 20%-or-more-owned public utilities		26.7	
6 Dividends from less-than-20%-owned foreign corporations and certain FSCs		50	
7 Dividends from 20%-or-more-owned foreign corporations and certain FSCs		65	
8 Dividends from wholly owned foreign subsidiaries		100	
9 Subtotal. Add lines 1 through 8. See instructions for limitations		See instructions	
10 Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11 Dividends from affiliated group members		100	
12 Dividends from certain FSCs		100	
13 Foreign-source portion of dividends received from a specified 10%-owned foreign corporation (excluding hybrid dividends) (see instructions)		100	
14 Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, 12, or 13 (including any hybrid dividends)			
15 Reserved for future use			
16a Subpart F inclusions derived from the sale by a controlled foreign corporation (CFC) of the stock of a lower-tier foreign corporation treated as a dividend (attach Form(s) 5471) (see instructions)		100	
b Subpart F inclusions derived from hybrid dividends of tiered corporations (attach Form(s) 5471) (see instructions)			
c Other inclusions from CFCs under subpart F not included on line 16a, 16b, or 17 (attach Form(s) 5471) (see instructions)			
17 Global Intangible Low-Taxed Income (GILTI) (attach Form(s) 5471 and Form 8992)			
18 Gross-up for foreign taxes deemed paid			
19 IC-DISC and former DISC dividends not included on line 1, 2, or 3			
20 Other dividends			
21 Deduction for dividends paid on certain preferred stock of public utilities			
22 Section 250 deduction (attach Form 8993)			
23 Total dividends and inclusions. Add column (a), lines 9 through 20. Enter here and on page 1, line 4			
24 Total special deductions. Add column (c), lines 9 through 22. Enter here and on page 1, line 29b			

Schedule J Tax Computation and Payment (see instructions)**Part I—Tax Computation**

1	Check if the corporation is a member of a controlled group (attach Schedule O (Form 1120)). See instructions	<input type="checkbox"/>	
2	Income tax. See instructions		2
3	Base erosion minimum tax amount (attach Form 8991)		3
4	Add lines 2 and 3		4
5a	Foreign tax credit (attach Form 1118)	5a	
b	Credit from Form 8834 (see instructions)	5b	
c	General business credit (attach Form 3800)	5c	
d	Credit for prior year minimum tax (attach Form 8827)	5d	
e	Bond credits from Form 8912	5e	
6	Total credits. Add lines 5a through 5e		6
7	Subtract line 6 from line 4		7
8	Personal holding company tax (attach Schedule PH (Form 1120))		8
9a	Recapture of investment credit (attach Form 4255)	9a	
b	Recapture of low-income housing credit (attach Form 8611)	9b	
c	Interest due under the look-back method—completed long-term contracts (attach Form 8697)	9c	
d	Interest due under the look-back method—income forecast method (attach Form 8866)	9d	
e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e	
f	Interest/tax due under section 453A(c) and/or section 453(l)	9f	
g	Other (see instructions—attach statement)	9g	
10	Total. Add lines 9a through 9g		10
11	Total tax. Add lines 7, 8, and 10. Enter here and on page 1, line 31		11

Part II—Reserved For Future Use

12	Reserved for future use		12
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Part III—Payments and Refundable Credits

13	2021 overpayment credited to 2022		13
14	2022 estimated tax payments		14
15	2022 refund applied for on Form 4466		15
16	Combine lines 13, 14, and 15		16
17	Tax deposited with Form 7004		17
18	Withholding (see instructions)		18
19	Total payments. Add lines 16, 17, and 18		19
20	Refundable credits from:		
a	Form 2439	20a	
b	Form 4136	20b	
c	Reserved for future use	20c	
d	Other (attach statement—see instructions)	20d	
21	Total credits. Add lines 20a through 20d		21
22	Reserved for future use		22
23	Total payments and credits. Add lines 19 and 21. Enter here and on page 1, line 33		23

Form 1120 (2022)

Schedule K Other Information (see instructions)

1 Check accounting method: a <input type="checkbox"/> Cash b <input type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) _____		Yes	No
2 See the instructions and enter the:			
a Business activity code no. _____			
b Business activity _____			
c Product or service _____			
3 Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? If "Yes," enter name and EIN of the parent corporation _____			✓
4 At the end of the tax year:			
a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part I of Schedule G (Form 1120) (attach Schedule G)			✓
b Did any individual or estate own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part II of Schedule G (Form 1120) (attach Schedule G)			✓
5 At the end of the tax year, did the corporation:			
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on Form 851, Affiliations Schedule? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below.			✓

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock

b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (iv) below.			✓
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(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Country of Organization	(iv) Maximum Percentage Owned in Profit, Loss, or Capital

6 During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? See sections 301 and 316 If "Yes," file Form 5452, Corporate Report of Nondividend Distributions. See the instructions for Form 5452. If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.			✓
7 At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of the total voting power of all classes of the corporation's stock entitled to vote or at least 25% of the total value of all classes of the corporation's stock? For rules of attribution, see section 318. If "Yes," enter: (a) Percentage owned _____ and (b) Owner's country _____ (c) The corporation may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter the number of Forms 5472 attached _____			✓
8 Check this box if the corporation issued publicly offered debt instruments with original issue discount <input type="checkbox"/> If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.			
9 Enter the amount of tax-exempt interest received or accrued during the tax year \$ _____			
10 Enter the number of shareholders at the end of the tax year (if 100 or fewer) _____			
11 If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here (see instructions) <input type="checkbox"/> If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.			
12 Enter the available NOL carryover from prior tax years (do not reduce it by any deduction reported on page 1, line 29a.) \$ _____			

Schedule K **Other Information** (continued from page 4)

	Yes	No
13 Are the corporation's total receipts (page 1, line 1a, plus lines 4 through 10) for the tax year and its total assets at the end of the tax year less than \$250,000?		✓
If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year \$		
14 Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement? See instructions		✓
If "Yes," complete and attach Schedule UTP.		
15a Did the corporation make any payments in 2022 that would require it to file Form(s) 1099?	✓	
b If "Yes," did or will the corporation file required Form(s) 1099?	✓	
16 During this tax year, did the corporation have an 80%-or-more change in ownership, including a change due to redemption of its own stock?		✓
17 During or subsequent to this tax year, but before the filing of this return, did the corporation dispose of more than 65% (by value) of its assets in a taxable, non-taxable, or tax deferred transaction?		✓
18 Did the corporation receive assets in a section 351 transfer in which any of the transferred assets had a fair market basis or fair market value of more than \$1 million?		✓
19 During the corporation's tax year, did the corporation make any payments that would require it to file Forms 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474) of the Code?		✓
20 Is the corporation operating on a cooperative basis?		✓
21 During the tax year, did the corporation pay or accrue any interest or royalty for which the deduction is not allowed under section 267A? See instructions		✓
If "Yes," enter the total amount of the disallowed deductions \$		
22 Does the corporation have gross receipts of at least \$500 million in any of the 3 preceding tax years? (See sections 59A(e)(2) and (3))		
If "Yes," complete and attach Form 8991.		
23 Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions		
24 Does the corporation satisfy one or more of the following? See instructions		✓
a The corporation owns a pass-through entity with current, or prior year carryover, excess business interest expense.		✓
b The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$27 million and the corporation has business interest expense.		
c The corporation is a tax shelter and the corporation has business interest expense.		
If "Yes," complete and attach Form 8990.		
25 Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund?		✓
If "Yes," enter amount from Form 8996, line 15 \$		
26 Since December 22, 2017, did a foreign corporation directly or indirectly acquire substantially all of the properties held directly or indirectly by the corporation, and was the ownership percentage (by vote or value) for purposes of section 7874 greater than 50% (for example, the shareholders held more than 50% of the stock of the foreign corporation)? If "Yes," list the ownership percentage by vote and by value. See instructions		✓
Percentage: By Vote By Value		

Form **1120** (2022)

Schedule L Balance Sheets per Books

		Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash				
2a	Trade notes and accounts receivable				
b	Less allowance for bad debts	()		()	
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach statement)				
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10a	Buildings and other depreciable assets				
b	Less accumulated depreciation	()		()	
11a	Depletable assets				
b	Less accumulated depletion	()		()	
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization	()		()	
14	Other assets (attach statement)				
15	Total assets				
Liabilities and Shareholders' Equity					
16	Accounts payable				
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach statement)				
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach statement)				
22	Capital stock: a Preferred stock				
	b Common stock				
23	Additional paid-in capital				
24	Retained earnings—Appropriated (attach statement)				
25	Retained earnings—Unappropriated				
26	Adjustments to shareholders' equity (attach statement)				
27	Less cost of treasury stock				
28	Total liabilities and shareholders' equity				

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return

Note: The corporation may be required to file Schedule M-3. See instructions.

1	Net income (loss) per books		7	Income recorded on books this year not included on this return (itemize):	
2	Federal income tax per books			Tax-exempt interest \$	
3	Excess of capital losses over capital gains				
4	Income subject to tax not recorded on books this year (itemize):				
5	Expenses recorded on books this year not deducted on this return (itemize):		8	Deductions on this return not charged against book income this year (itemize):	
a	Depreciation \$		a	Depreciation \$	
b	Charitable contributions \$		b	Charitable contributions \$	
c	Travel and entertainment \$				
6	Add lines 1 through 5		9	Add lines 7 and 8	
			10	Income (page 1, line 28)—line 6 less line 9	

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Schedule L, Line 25)

1	Balance at beginning of year		5	Distributions: a Cash	
2	Net income (loss) per books			b Stock	
3	Other Increases (itemize):			c Property	
			6	Other decreases (itemize):	
4	Add lines 1, 2, and 3		7	Add lines 5 and 6	
			8	Balance at end of year (line 4 less line 7)	

Cost of Goods Sold

► Attach to Form 1120, 1120-C, 1120-F, 1120S, or 1065.
► Go to www.irs.gov/Form1125A for the latest information.

OMB No. 1545-0123

Name

Employer identification number

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule)	5	
6	Total. Add lines 1 through 5	6	
7	Inventory at end of year	7	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions	8	

9a Check all methods used for valuing closing inventory:

(i) ☐ Cost

(ii) ☐ Lower of cost or market

(iii) ☐ Other (Specify method used and attach explanation.) ►

b Check if there was a writedown of subnormal goods

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ☐

d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO

e If property is produced or acquired for resale, do the rules of section 263A apply to the entity? See instructions ☐ Yes ☒ No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation ☐ Yes ☒ No

Section references are to the Internal Revenue Code unless otherwise noted.

What's New

Small business taxpayers. For tax years beginning after December 31, 2017, the following apply.

- A small business taxpayer (defined below), may use a method of accounting for inventories that either: (1) treats inventories as nonincidental materials and supplies, or (2) conforms to the taxpayer's financial accounting treatment of inventories.
- A small business taxpayer is not required to capitalize costs under section 263A.

General Instructions**Purpose of Form**

Use Form 1125-A to calculate and deduct cost of goods sold for certain entities.

Who Must File

Filers of Form 1120, 1120-C, 1120-F, 1120S, or 1065, must complete and attach Form 1125-A if the applicable entity reports a deduction for cost of goods sold.

Inventories

Generally, inventories are required at the beginning and end of each tax year if the production, purchase, or sale of

merchandise is an income-producing factor. See Regulations section 1.471-1. If inventories are required, you generally must use an accrual method of accounting for sales and purchases of inventory items.

Exception for certain taxpayers. A small business taxpayer (defined below), can adopt or change its accounting method to account for inventories in the same manner as material and supplies that are non-incidental, or conform to its treatment of inventories in an applicable financial statement (as defined in section 451(b)(3)), or if it does not have an applicable financial statement, the method of accounting used in its books and records prepared in accordance with its accounting procedures. See section 471(c)(3).

A small business taxpayer claiming exemption from the requirement to keep inventories is changing its method of accounting for purposes of section 481. For additional guidance on this method of accounting, see Pub. 538, Accounting Periods and Methods. For guidance on changing to this method of accounting, see Form 3115 and the Instructions for Form 3115.

Small business taxpayer. A small business taxpayer is a taxpayer that (a) has average annual gross receipts of \$25 million or less (indexed for inflation) for the 3 prior tax years, and (b) is not a tax shelter (as defined in section 448(d)(3)). See Pub. 538.

Uniform capitalization rules. The uniform capitalization rules of section 263A generally require you to capitalize, or include in inventory, certain costs incurred in connection with the following.

- The production of real property and tangible personal property held in inventory or held for sale in the ordinary course of business.
- Real property or personal property (tangible and intangible) acquired for resale.
- The production of real property and tangible personal property for use in its trade or business or in an activity engaged in for profit.

A small business taxpayer (defined above) is not required to capitalize costs under section 263A. See section 263A(i).

See the discussion on section 263A uniform capitalization rules in the instructions for your tax return before completing Form 1125-A. Also see Regulations sections 1.263A-1 through 1.263A-3. See Regulations section 1.263A-4 for rules for property produced in a farming business.